

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

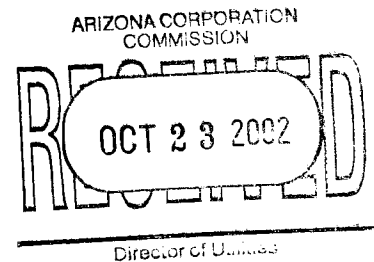
ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

		M
W-01646A	WATER	
MIRACLE VALLEY WATER		
PO Box 2903		
SIERRA VISTA AZ		
85636-2903		

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

10/23/02 am

SCANNED

23 OCT 2002

COMPANY INFORMATION

Company Name (Business Name) MIRACLE VALLEY WATER CO

Mailing Address PO BOX 2903

SERRA VISTA AZ 85636-2903
(City) (State) (Zip)

(520) 3783349 (520) 3786549 (520) 9403513
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address WDBS@CZIZ.COM

Local Office Mailing Address SAA
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: SONNY A MCALIN
(Name) (Title)

SAA
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: SAA
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: JOHNNY A McHAIN
(Name)

7110 So JAXEL RD HERFORD AZ 85615
(Street) (City) (State) (Zip)

(520) 3783349 (520) 3786549 (520) 9403513
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: N A
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

MIRACLE VALLEY WATER

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	7500	0	0
302	Franchises AS	4000	0	0
303	Land and Land Rights AT	5000	5000	0
304	Structures and Improvements	7250	7250	0
307	Wells and Springs AS	20498	20318	0
311	Pumping Equipment	18197	15029	3172
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes + 4000	32778	18753	14025
331	Transmission and Distribution Mains + 9000	123609	77175	46434
333	Services (X 9 = 2250)	29950	12414	17536
334	Meters and Meter Installations (X 9 = 2250)	27710	14233	13477
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	1790	1790	0
340	Office Furniture and Equipment	0	0	0
341	Transportation Equipment	7375	1934	5441
343	Tools, Shop and Garage Equipment	1936	1052	884
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	300	30	270
346	Communication Equipment	1349	337	1012
347	Miscellaneous Equipment	1050	639	411
348	Other Tangible Plant	795	439	356
	TOTALS	291087	176393	103018

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME MIRACLE VALLEY WATER

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage $5\% / (2)$	Depreciation Expense (1x2)
301	Organization	7500		0
302	Franchises AS	4000		0
303	Land and Land Rights	5000		0
304	Structures and Improvements	7250		363
307	Wells and Springs	20498		0
311	Pumping Equipment	18197		910
320	Water Treatment Equipment	0		0
330	Distribution Reservoirs and Standpipes	32778		1439
331	Transmission and Distribution Mains	123609		5730
333	Services	29950		1385
334	Meters and Meter Installations	27710		1273
335	Hydrants	0		0
336	Backflow Prevention Devices	0		0
339	Other Plant and Misc. Equipment	1790		0
340	Office Furniture and Equipment	0		0
341	Transportation Equipment	7375		369
343	Tools, Shop and Garage Equipment	1936		97
344	Laboratory Equipment	0		0
345	Power Operated Equipment	300		15
346	Communication Equipment	1349		67
347	Miscellaneous Equipment	1050		53
348	Other Tangible Plant	795		40
	TOTALS	291087		11741

This amount goes on Comparative Statement of Income and Expense Acct. No. 403

COMPANY NAME

MIRACLE VALLEY water

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 350	\$ 175
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	3355	2975
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 3705	\$ 3150
	FIXED ASSETS		
101	Utility Plant in Service	\$ 269439	\$ 291087
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation - Utility Plant	172304	176393
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 97135	\$ 114694
	TOTAL ASSETS	\$ 100840	\$ 117844

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME MIRACLE VALLEY WATER

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 10 000	\$ 10 000
232	Notes Payable (Current Portion)	13 000	13 000
234	Notes/Accounts Payable to Associated Companies	16 000	16 000
235	Customer Deposits	9 255	9 355
236	Accrued Taxes	0	0
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$ 48 255	\$ 48 355
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 300 000	\$ 300 000
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 348 255	\$ 348 355
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100	\$ 100
211	Paid in Capital in Excess of Par Value	(247 415)	(230 411)
215	Retained Earnings	0	0
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	(\$ 247 415)	\$ 23 051
	TOTAL LIABILITIES AND CAPITAL	\$ 100 840	\$ 1178 44

COMPANY NAME MIRACLES VALLEY WATER

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 40888	\$ 53413
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 40888	\$ 53413
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 540	\$ 578
610	Purchased Water	0	0
615	Purchased Power	9658	9707
618	Chemicals	240	300
620	Repairs and Maintenance	2480	4175
621	Office Supplies and Expense	(See 630)	(See 630)
630	Outside Services	23500	25000
635	Water Testing	1207	1207
641	Rents	(See 630)	See 630
650	Transportation Expenses	2400	2400
657	Insurance - General Liability	3430	3430
659	Insurance - Health and Life	1544	1544
666	Regulatory Commission Expense - Rate Case	350	1580
675	Miscellaneous Expense	(See 630)	See 630
403	Depreciation Expense	13474	11741
408	Taxes Other Than Income	0	0
408.11	Property Taxes	2173	2210
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 59396	\$ 63872
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/EXP	\$ 0	\$ 0
	NET INCOME/(LOSS)	\$ 100284	\$ 10459

COMPANY NAME

MIRACHE VALLEY

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	5/87	5/87	5/88	
Source of Loan	Remort	Remort	Cash 4200	
ACC Decision No. NA				
Reason for Loan	Buy out	Buy out	O/E	
Dollar Amount Issued	\$ 12000	\$ 83000	\$ 200000	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity	open	open	open	
Interest Rate	10 1/2%	1 1/2%	8 1/2%	
Current Year Interest	\$ 1700	NOT PAID \$ 14000	NOT PAID \$ 209000	\$
Current Year Principle	\$ 4000	PAID \$ 5000	NOT PAID \$ 0	\$

Meter Deposit Balance at Test Year End

\$ 9355

Meter Deposits Refunded During the Test Year

\$ 1165

COMPANY NAME MIRACLES VALLEY WATER

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWELL Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
3018	40	300	10"	3"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Cumulative Water 55-57767	100	NA

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
NA			

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
(CWT) 15,000	1	10,000	1

STATISTICAL INFORMATION

MVA

Total number of customers 224

Total number of gallons sold 25,708,410 gallons

COMPANY NAME MIRACLES VALLEY H2O YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

0
0

State Taxable Income Reported
Estimated or Actual State Tax Liability

0
0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

0
0
0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

12-30-2001
DATE

GARY A McLEAN
PRINTED NAME

owner
TITLE

COMPANY NAME MIRABLES VALLEY H2O YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 2210

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATIONSTATE OF AZ

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>COCHISE</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>JOHNNY A. McLAIR</u>
COMPANY NAME
<u>MIRACLE VALLEY WATER CO</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 56577

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3164

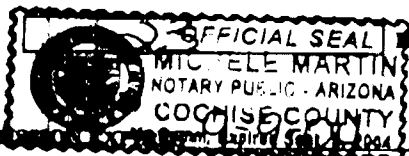
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



MY COMMISSION EXPIRES FEB 1, 2004

JOHNNY A. McLAIR
SIGNATURE OF OWNER OR OFFICIAL
(520) 378-3345
TELEPHONE NUMBER

COUNTY NAME	<u>Cochise</u>	
MONTH	<u>October</u>	<u>2002</u>
<u>Michael Martin</u> SIGNATURE OF NOTARY PUBLIC		

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>COCHISE</u>	
NAME (OWNER OR OFFICIAL) <u>SHIRLEY A MCLEAN</u>	TITLE <u>owner</u>
COMPANY NAME <u>MIRABELS VALLEY WATER CO</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>56,577</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 3,464
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Shirley A. McLean
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



(SEAL)

MY COMMISSION EXPIRES

9-9-04

NOTARY PUBLIC NAME <u>Michele Martin</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>October</u>	YEAR <u>20 02</u>

Michele Martin
SIGNATURE OF NOTARY PUBLIC

COCHISE COUNTY TREASURER
Receipt of Taxes Paid

Date: 10.31.2001 Time: 12:15:25

Page: 1
Cashier: PGR

Tax Year	Parcel	Portion	Tax Paid	Interest Paid	Penalty Paid	Paid
2001	91654900009	1	1,105.11			1,105.11
2001	91654900009	2	1,105.11			1,105.11

Payment type: Check# 2053

Payment Received: \$ 2,210.22

Tax still owing: .00

Notes: 2001 TAXES PAID IN FULL

Received from:

MIRACLE VALLEY WATER CO/ MCLAIN JOHNNY
PO BOX 2903
SIERRA VISTA AZ 85636